James C. Mahan U.S. District Judge

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these documents were not received by the appropriate individual at Farmers, Adam Smith. Mr. Smith, administrative counsel in the Farmers corporate legal department, was not aware that the present action had been served on Farmers until he learned of the motion for default.

Public policy favors judgment on the merits. *U.S. v. Signed Personal Check NO. 730 of Yubran S.Mesle*, 615 F.3d 1085, 1091 (9th Cir. 2010). Accordingly, the Federal Rules of Civil Procedure provide that a court may set aside an entry of default for good cause. FED. R. CIV. P. 55(c). In deciding whether good cause exists, a court must consider three factors: "(1) whether the party seeking to set aside the default engaged in culpable conduct that led to the default; (2) whether it had no meritorious defense; or (3) whether reopening the default judgment would prejudice the other party." *Signed Personal Check*, 615 F. 3d at 1091 (internal quotations omitted). Here, plaintiff does not oppose the motion to set aside default. Furthermore, the court finds that the three factors weigh in favor of setting aside default and proceeding with the case on the merits.

Considering plaintiff's non-opposition and good cause appearing,

IT IS HEREBY ORDERED, ADJUDGED, AND DECREED that Farmers' motion to set aside default (doc. #11) be, and the same hereby is, GRANTED and the case shall hereby proceed on the merits.

DATED November 4, 2011.

James C. Mahan U.S. District Judge UNITED STATES DISTRICT JUDGE